

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2003-34-C - ORDER NO. 2003-187 ✓ #10

MARCH 28, 2003

IN RE:	Application of AT&T Communications of the	)	ORDER GRANTING
	Southern States, LLC for Approval of	)	MOTION FOR
	Transfer of Certain Wireless Long Distance	)	EXPEDITED REVIEW,
	Customers to AllTel Corporation and	)	TRANSFER OF
	Discontinuance of Service.	)	CUSTOMER BASE, AND
		)	DISCONTINUANCE OF
		)	SERVICE

This matter comes before the Public Service Commission of South Carolina ("Commission") pursuant to an Application filed by AT&T Communications of the Southern States, LLC ("AT&T" or the "Applicant") requesting Commission approval, *nunc pro tunc*, of the transfer of certain wireless long distance customers from AT&T to AllTel Corporation ("AllTel") and approval of the discontinuance of AT&T's wireless long distance service in South Carolina. The Application was filed pursuant to S.C. Code Ann. Sections 58-9-300 and 58-9-310 (1976) (Supp. 2002) and the applicable regulations of the Commission. Subsequent to the filing of the Application, AT&T requested expedited review and disposition of the Application.

AT&T is a New York corporation and holds various certificates of public convenience and necessity issued by this Commission. As an intrastate tariffed service offering in South Carolina, AT&T has provided wireless long distance service for a number of years. AllTel is a Commercial Mobile Radio Service ("CMRS") wireless

service provider not subject to regulation of this Commission as to rates and entry, pursuant to FCC authority.

AT&T respectfully requests that the Commission approve the transfer of AT&T's wireless long distance customers to AllTel and allow AT&T to discontinue its wireless long distance service in South Carolina.

By letter dated February 14, 2003, the Commission's Executive Director instructed the Applicant to publish a prepared Notice of Filing in newspapers of general circulation in the areas affected by the Application. The purpose of the Notice of Filing was to provide notice of the Application to any interested parties and to advise interested parties of the manner and time in which to file pleadings to participate in the docket. The Applicant filed Affidavits of Publication as proof that it had complied with the instructions of the Executive Director. No Petitions to Intervene, letters of protest, or comments were received by the Commission with regard to the instant Application.

#### **MOTION FOR EXPEDITED REVIEW**

AT&T filed a Motion for Expedited Review of their Application on March 21, 2003. In furtherance of the request for expedited review, AT&T filed verified testimony of Judi Reilly in support of the Application. After AT&T filed their Motion for Expedited Review with the accompanying verified testimony, the Commission Staff brought the matter to the Commission for consideration.

Upon consideration of AT&T's request for expedited review, the Commission finds that expedited review should be granted. By its request, AT&T waives its right to a formal hearing. The Commission finds that notice of the Application was properly

afforded to the public and that no interested person sought to become a party to the proceeding. The Commission finds that procedural due process was afforded in this matter and further finds that the Applicant makes a knowing waiver of a formal hearing. Therefore, the Commission will consider the Application in the context of its regularly scheduled weekly meeting, with court reporter present, and for purposes of the expedited review, the Commission will deem the examination of the Application and verified testimony during the course of the Commission's regularly scheduled meeting with court reporter present as a hearing on this matter.

#### **EXAMINATION OF THE APPLICATION AND VERIFIED TESTIMONY**

According to the Application, AT&T is requesting authority from the Commission to discontinue offering wireless long distance service as an intrastate tariff offering in South Carolina, and to approve the transfer of its wireless customers to AllTel pursuant to an agreement entered into between AT&T and AllTel. By this agreement, AT&T asserts that AllTel began providing wireless long distance service to AT&T's customers October 1, 2002. In support of the Application, AT&T filed the verified testimony of Judi Reilly, who is a Product Manager for the Company.

As Product Manager, Ms. Reilly is responsible for the operations and profitability of AT&T Wireless Long Distance service. Ms. Reilly presented testimony describing AT&T's wireless long distance service as well as testimony regarding the transfer of certain of AT&T's wireless long distance customers to AllTel, which took place on October 1, 2002.

Ms. Reilly noted that the Telecommunications Act of 1996 gave local wireless providers the ability to offer outbound wireless long distance calling capability to their customers. According to Ms. Reilly, the overwhelming majority of wireless customers now obtain long distance service directly from their CMRS wireless service provider. Local wireless service providers now offer long distance service as a product bundled with local wireless calling, and many providers even offer wireless long distance service “free” as part of a wireless communications plan.

Further, Ms. Reilly testified that the number of wireless long distance customers served by AT&T in South Carolina (and across the nation) has declined steadily since 1996. As of October 1, 2002, the only customers to whom AT&T provided wireless long distance services in South Carolina were approximately 1,270 customers who were already receiving local wireless service from AllTel.

Ms. Reilly stated that the affected customers and the Federal Communications Commission (FCC) were both notified about the transfer. Ms. Reilly stated a belief that the granting of the relief sought in this Application is in the public interest, because these customers were already receiving local exchange wireless services from AllTel prior to the transfer, and that the transfer process was seamless and transparent to those customers, and further resulted in no interruption of service or additional fees to these customers. In addition, the customers are now receiving long distance service as part of a bundled package of local and long distance wireless service that is much more efficient for customers from a billing and customer service standpoint, according to Ms. Reilly. Further, while with AT&T, these wireless long distance customers paid \$.31 per minute

for every minute of every intrastate long distance call they made. Now, AllTel offers plans that provide toll-free long distance calling for an allotted number of minutes.

### **FINDINGS AND CONCLUSIONS**

1. S.C. Code Ann. Section 58-9-310 (Supp. 2002) requires this Commission's approval before a telephone utility may transfer its property, powers, franchises, or privileges. Certainly, a company's customer base qualifies as property under this statute.

2. S. C. Code Ann. Section 58-9-300 (1976) requires this Commission to issue a certificate authorizing abandonment of service in its discretion after application.

3. An examination of the evidence in this case shows that approval of this transfer *nunc pro tunc* is warranted and is in the public interest. Clearly, wireless customers now receive bundled packages of both local and long distance services for one price, and no longer have to pay for an allotted number of minutes for the long distance component of their service. The transfer was seamless and transparent to the customers in this case. The customers involved suffered no interruptions or additional fees at the time of transfer.

4. The evidence also shows that AT&T should be allowed to discontinue its long-distance wireless services in South Carolina because of the reasoning stated above. The appropriate certificate is hereby issued.

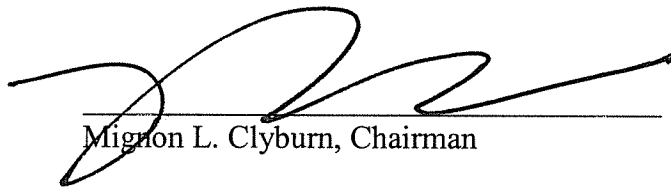
### **ORDER**

1. The transfer of the afore-mentioned customer base from AT&T to AllTel is approved *nunc pro tunc*.

2. AT&T may discontinue its wireless long distance services in South Carolina.

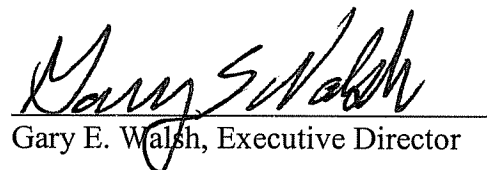
3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Mignon L. Clyburn, Chairman

ATTEST:



Gary E. Walsh, Executive Director

(SEAL)